

COMPANY REGISTRATION NO. 00690594 (England and Wales)

BISLEY OFFICE EQUIPMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

BISLEY OFFICE EQUIPMENT LIMITED

COMPANY INFORMATION

Directors A C Brown OBE (Chairman)
P A Crutcher
R Bayliss
D W Botterill
R Costin

Secretary P R Ashdown

Company number 00690594

Registered office Bisley Factory
Caswell Way
Reevesland Industrial Estate
Newport
South Wales
United Kingdom
NP19 4PW

Auditor UHY Hacker Young
Lanyon House
Mission Court
Newport
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NP20 2DW

BISLEY OFFICE EQUIPMENT LIMITED

CONTENTS

	Page
Strategic report	1 - 3
Directors' report	4 - 8
Directors' responsibilities statement	9
Independent auditor's report	10 - 12
Profit and loss account	13
Group statement of comprehensive income	14
Group balance sheet	15
Company balance sheet	16
Group statement of changes in equity	17
Company statement of changes in equity	18
Group statement of cash flows	19
Notes to the financial statements	20 - 43

BISLEY OFFICE EQUIPMENT LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2021

The directors present the strategic report for the year ended 31 July 2021.

Fair review of the business

Group sales decreased by 5.6% to £67.4m (2020: £71.4m). UK sales fell by 15.7% to £28.9m (2020: £34.3m) which was due to certain sectors of the market not trading at all through the COVID lockdown periods. International sales increased by 3.8% to £38.5m (2020: £37.1m) and was principally achieved from growth in the US and increased online sales.

Gross margins increased by 2.8% to 28.5% (2020: 25.7%) due to the restructuring of the business to address the impact of COVID 19, combined with no prolonged cessation of manufacturing as was experienced in the prior year. In the early months of the pandemic.

Distribution costs fell by 20.4%, and relative to Turnover they decreased from 24.7% to 20.8%, all due to the same reasons driving the improved Gross margin.

Administration expenses have decreased from £8.5m in the year ended 31 July 2020 to £5.6m. Again, this is as a consequence of the restructuring of the business to ensure it is appropriately resourced and that overheads are in line with activity levels. Exceptional costs in the year were £0.2m of restructuring costs.

A fair value assessment on derivative financial instruments open at the year-end causes us to recognise a profit of £0.3m, and accordingly a net profit is reported before taxation of £0.6m, compared with a prior year loss of £7.8m.

We acknowledge the significant contribution of our entire workforce in what was a challenging turnaround year, and particularly their flexibility in adapting to the variable and complex requirements of the market, and the various changes that have taken place.

Principal risks and uncertainties

Demand risk

Although we remain focused to continue to support our customer base across the globe, we have seen, and we continue to see, a reduction in volume due to the various lockdown measures in the UK and across the globe. However, we believe we have seen a stabilised volume of manufacturing at a reduced level compared to previously, but with a lower overhead than before the pandemic. The impact on currency exchange remains a risk along with cost of global shipment and the ongoing increasing cost of raw materials.

To offset some of the reduction in volume, the company continues to diversify and invest in marketing and online marketing technology and through the various online retail partner outlets to promote its office and home office products. These initiatives are expected to continue to grow directly and indirectly.

Price risk

The group is exposed to the risk of commodity price volatility which has been significant in recent years. The group remains vigilant and wherever possible enters into long-term price agreements for material costs and other components.

Credit risk

The group's principal financial assets are bank balances and cash, short term investments and trade and other receivables. The group's credit risk is primarily attributed to its trade receivables. The amounts presented in the balance sheets are net of allowance for doubtful receivables. An allowance is made where there is evidence of a reduction in the recoverability of cash flows. Where possible the group insures its trade receivables. The credit risk on liquid funds is spread and limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies or have a significant UK Government shareholding.

Foreign exchange risk

The group's activities expose it to the financial risks of change in foreign currency exchange rates. Where possible the group seeks to match purchases and sales in foreign currencies. Where appropriate the group uses forward exchange contracts to reduce risk and protect it against adverse short term exchange movements.

BISLEY OFFICE EQUIPMENT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Future developments

Although the financial year has been challenging due to market conditions and the new normal of people continuing to work from home, the company has seen many new opportunities for large projects that had previously been put on hold due to the pandemic. This increase in activity is not exclusive to the UK as the group's subsidiaries are seeing growth in demand in this sector.

Although the general market demand for steel storage continues to decline, this has been largely offset by an increase in demand for wooden storage and wooden lockerwall units. From the start of the new financial year the business has, and continues to introduce many new products that are aligned to the changes in market conditions. This activity combined with the introduction of new technology and investment in new equipment will continue to design and innovate this industry. Two main strategies that will drive innovation will be the continued development of the New Product Development roadmap, following the recruitment of new roles focusing on creativity and design. This will demonstrate innovation in both steel and wooden products for both the home and the office sectors. Our CSR and environmental investment initiatives will continue to add value to our customers whilst achieving high standards of recycling and energy management.

Going concern

During the last 12 months, uncertainty due to the recent COVID-19 outbreak has been replaced by other challenges. These include unprecedentedly high steel costs, the impact of Brexit and inflation of material, freight, and labour costs. All of these have been considered as part of the company's adoption of the going concern basis. All appropriate measures have been put in place to reduce the impact on the company, and all the restructuring work carried out through the early months of the COVID 19 outbreak has put the business in a strong position to deal with these challenges.

The Board's latest forecasts are based on a scenario of a growth in revenue as the periods of lock-down imposed by the Government come to an end and the global economy begins to recover. The Board has factored in the restructuring work already done, a focus on rigorous cost control, the adoption of new purchasing strategies and the passing on of costs where possible. Under this scenario the company will have the resources to trade through this period.

The events arising as a result of high steel prices, Brexit and inflationary pressures has meant that there is a material uncertainty but based on the proactive measures taken against the downside indications, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

BISLEY OFFICE EQUIPMENT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Statement by the directors on performance of their statutory duties in accordance with s172(1) of the Companies Act 2006

The Board of directors of Bisley Office Equipment Limited consider, both individually and collectively, that they have acted in ways that they believe in good faith to be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and other matters set out in s172(1) of the Act) in the decisions they made during the year ended 31 July 2020.

We support diversity and inclusion within the workplace and recognise our colleagues as our most important and valuable asset, and aim to be a responsible employer in our approach to the pay and benefits our employees receive. The health, safety and wellbeing of our colleagues are of the highest importance and ensuring these is one of our primary considerations in the way we do business.

Caring for our customers is fundamental to the success of our business and we endeavour to serve them to the very best of our ability, whether this is dealing with other businesses or directly with consumers through our Online operations. We are committed to ensuring that all the products we sell meet the latest industry standards and offer our customers both high quality and great value.

We also aim to act responsibly and fairly in our engagement with suppliers, regulators, bankers, insurers and stakeholders. All suppliers are paid in accordance with their agreed terms. We respond quickly and fully to queries from regulators, bankers, insurers and stakeholders, providing the last with monthly updates on our performance.

The business is committed to protecting and ensuring the health and wellbeing of the communities in which we operate, and that of the wider environment and society as a whole. We work with and support local and national charities and have done so for many years. We continue to work hard to reduce our impact on the environment by continuous improvement of our processes and procedures.

As the Board of Directors, our intention is always to behave responsibly and to ensure that the business operates in a responsible manner, adhering to high standards of business conduct and good governance. We recognise that the maintenance of our good reputation, founded on responsible behaviour, is fundamental to our continuing ability to achieve profitable growth for the benefit of all our stakeholders in the future.

By order of the board

P R Ashdown
Secretary

24 March 2022

BISLEY OFFICE EQUIPMENT LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2021**

The directors present their annual report and financial statements for the year ended 31 July 2021.

Principal activities

The principal activity of the company is to act as a holding company. The company's subsidiaries are engaged in the manufacture, sale and distribution of office and other furniture.

Results and dividends

The results for the year are set out on page 13, a review of business is provided in the strategic report on page 1.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

No dividends were paid in the prior year.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A C Brown OBE (Chairman)

P A Crutcher

T Pryke

(Resigned 12 February 2022)

R Bayliss

D W Botterill

R Costin

Auditor

The auditors, UHY Hacker Young, have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

BISLEY OFFICE EQUIPMENT LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

Energy and carbon report

BISLEY OFFICE EQUIPMENT LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

Quantification and reporting methodology

BISLEY OFFICE EQUIPMENT LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

Intensity measurement

	Turnover	Total Emissions (tCO2e)	Intensity Ratio (tCO2e per £Million)
Base Year	£57,170,000	5,820	101.81
Current Year	£51,181,000	4,680	91.44

Measures taken to improve energy efficiency

Reduction of energy consumption is critical to FC Brown (Steel Equipment) Limited, not only for short to medium term cost reduction purposes but also as a central element of long-term carbon reduction and Net Zero strategies to maintain alignment with future legislation imposed by UK Government. The company has also entered into an industry level Climate Change Agreement (CCA), requiring adherence to reduction targets allocated by the Department of Business, Energy, and Industrial Strategy (BEIS).

FC Brown (Steel Equipment) also participates mandatorily in the Energy Savings Opportunity Scheme (ESOS), completing an audit every four years, with the scheme recently entering its third phase. The most recent ESOS audit was completed in October 2021.

FC Brown (Steel Equipment) Limited has also entered into a renewable energy tariff with Shell Energy UK as a continuation of its previous supply agreement with Hudson Energy. However for the basis of this report scope 2 emissions could not be declared as 'zero carbon' as no Renewable Energy Guarantees of Origin (REGOs) have been issued by Shell Energy thus far. On this basis scope 2 emissions from purchased energy were calculated utilising UK grid 2021 conversion factors.

A number of energy reduction projects have been completed throughout manufacturing and office facilities, the most prominent of these being:

- Installation of LED lighting throughout all areas presenting a saving of 25% on lighting costs.
- Installation of electric 'blowers' for paint process drying following wash process, reducing demand from site compressors.
- Replacement of high voltage transformers with more efficient alternatives.
- Introduction of a compressor management system.
- Installation of power factor correction system.
- Fitting of variable speed drives to motors in various processes.

The company has also completed the replacement of an existing laser cutting machine with a more energy efficient version.

Future Energy Reduction Plans

Going forward the company shall continue to identify and if feasible implement energy reductions measures as part of its sustainability strategy. This shall be achieved through recommendations published in ESOS audit reports and deployment of both internal and external expertise. A current project consideration is installation of externally monitored variable speed drives to machine hydraulic pumps, with a feasibility study beginning possibly in early 2022. In addition to this the company shall evaluate employee behaviour around switching off of machinery during production changeovers and at the end of shift.

BISLEY OFFICE EQUIPMENT LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

By order of the board

P R Ashdown
Secretary

24 March 2022

BISLEY OFFICE EQUIPMENT LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 JULY 2021**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BISLEY OFFICE EQUIPMENT LIMITED

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BISLEY OFFICE EQUIPMENT LIMITED**

Opinion

We have audited the financial statements of Bisley Office Equipment Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 July 2021 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 July 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

BISLEY OFFICE EQUIPMENT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BISLEY OFFICE EQUIPMENT LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the relevant sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006 and ISO standards;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

BISLEY OFFICE EQUIPMENT LIMITED

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF BISLEY OFFICE EQUIPMENT LIMITED**

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial statements, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr John Griffiths (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young

24 March 2022

Chartered Accountants
Statutory Auditor

Newport
South Wales
United Kingdom

BISLEY OFFICE EQUIPMENT LIMITED**GROUP PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2021**

		2021	2020
	Notes	£'000	£'000
Turnover	3	67,399	71,428
Cost of sales		(48,166)	(53,059)
		<u>19,233</u>	<u>18,369</u>
Gross profit		19,233	18,369
Distribution costs		(14,033)	(17,624)
Exceptional costs	9	(217)	(2,486)
Other administrative expenses		(5,607)	(8,488)
		<u>(5,824)</u>	<u>(10,974)</u>
Total administrative expenses		(5,824)	(10,974)
Other operating income		928	2,514
		<u>304</u>	<u>(7,715)</u>
Operating profit/(loss)	4	304	(7,715)
Share of results of associates and joint ventures		(43)	-
Interest receivable and similar income	8	59	21
Interest payable and similar expenses	10	(29)	(2)
Other gains and losses	11	334	(76)
		<u>625</u>	<u>(7,772)</u>
Profit/(loss) before taxation		625	(7,772)
Tax on profit/(loss)	12	(251)	872
		<u>374</u>	<u>(6,900)</u>
Profit/(loss) for the financial year		<u>374</u>	<u>(6,900)</u>
Profit/(loss) for the financial year is attributable to:			
- Owners of the parent company		380	(6,688)
- Non-controlling interests		(6)	(212)
		<u>374</u>	<u>(6,900)</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

BISLEY OFFICE EQUIPMENT LIMITED

**GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2021**

	2021	2020
	£'000	£'000
Profit/(loss) for the year	374	(6,900)
Other comprehensive income		
Currency translation differences	(98)	(3)
Total comprehensive income for the year	<u>276</u>	<u>(6,903)</u>
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	282	(6,691)
- Non-controlling interests	(6)	(212)
	<u>276</u>	<u>(6,903)</u>

BISLEY OFFICE EQUIPMENT LIMITED

GROUP BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021 £'000	£'000	2020 £'000	£'000
Fixed assets					
Tangible assets	14		22,890		24,713
Current assets					
Stocks	19	6,836		6,257	
Debtors	20	16,105		15,624	
Cash at bank and in hand		10,829		9,394	
		<u>33,770</u>		<u>31,275</u>	
Creditors: amounts falling due within one year	21	<u>(15,670)</u>		<u>(15,987)</u>	
Net current assets			18,100		15,288
Total assets less current liabilities			<u>40,990</u>		<u>40,001</u>
Creditors: amounts falling due after more than one year					
	22		(722)		-
Provisions for liabilities					
Provisions	24	<u>74</u>	(74)	<u>51</u>	(51)
Government grants	27		<u>(85)</u>		<u>(117)</u>
Net assets			<u>40,109</u>		<u>39,833</u>
Capital and reserves					
Called up share capital	28		150		150
Revaluation reserve			1,497		1,497
Capital redemption reserve			100		100
Profit and loss reserves			<u>38,961</u>		<u>38,679</u>
Equity attributable to owners of the parent company			<u>40,708</u>		<u>40,426</u>
Non-controlling interests			<u>(599)</u>		<u>(593)</u>
			<u>40,109</u>		<u>39,833</u>

The financial statements were approved by the board of directors and authorised for issue on 24 March 2022 and are signed on its behalf by:

R Costin
Director

BISLEY OFFICE EQUIPMENT LIMITED**COMPANY BALANCE SHEET**

AS AT 31 JULY 2021

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Investments	15		1,695		1,695
Current assets					
Debtors	20	1,313		1,485	
Cash at bank and in hand		33		41	
		<u>1,346</u>		<u>1,526</u>	
Creditors: amounts falling due within one year					
	21	<u>(1,949)</u>		<u>(2,539)</u>	
Net current liabilities			<u>(603)</u>		<u>(1,013)</u>
Total assets less current liabilities			1,092		682
Provisions for liabilities					
Provisions	24	<u>31</u>	<u>(31)</u>	<u>51</u>	<u>(51)</u>
Net assets			<u>1,061</u>		<u>631</u>
Capital and reserves					
Called up share capital	28		150		150
Capital redemption reserve			100		100
Profit and loss reserves			<u>811</u>		<u>381</u>
Total equity			<u>1,061</u>		<u>631</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £430,000 (2020: £442,000), including exceptional costs of £nil (2020: £4,078,000), refer to note 9. During the year £nil (2020: £300,000) was debited to the profit and loss reserve in respect of shares acquired into treasury.

The financial statements were approved by the board of directors and authorised for issue on 24 March 2022 and are signed on its behalf by:

R Costin
Director

Company Registration No. 00690594

BISLEY OFFICE EQUIPMENT LIMITED

**GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2021**

	Share capital	Revaluation reserve	Capital redemption reserve	Profit and loss reserves	Total controlling interest	Non-controlling interest	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2019	150	1,497	100	45,669	47,416	(381)	47,035
Year ended 31 July 2020:							
Loss for the year	-	-	-	(6,688)	(6,688)	(212)	(6,900)
Other comprehensive income:							
Currency translation differences	-	-	-	(3)	(3)	-	(3)
Total comprehensive income for the year	-	-	-	(6,691)	(6,691)	(212)	(6,903)
Shares acquired into treasury	-	-	-	(300)	(300)	-	(300)
Credit to equity for equity settled share-based payments	29	-	-	1	1	-	1
Balance at 31 July 2020	150	1,497	100	38,679	40,426	(593)	39,833
Year ended 31 July 2021:							
Profit for the year	-	-	-	380	380	(6)	374
Other comprehensive income:							
Currency translation differences on overseas subsidiaries	-	-	-	(98)	(98)	-	(98)
Total comprehensive income for the year	-	-	-	282	282	(6)	276
Balance at 31 July 2021	150	1,497	100	38,961	40,708	(599)	40,109

The revaluation reserve represents the cumulative effect of revaluations of freehold and leasehold land and buildings.

The capital redemption reserve represents the nominal value of shares repurchased by the group.

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

BISLEY OFFICE EQUIPMENT LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2021**

	Share capital	Capital redemption reserve	Profit and loss reserves	Total
	£'000	£'000	£'000	£'000
Balance at 1 August 2019	150	100	239	489
	<hr/>	<hr/>	<hr/>	<hr/>
Year ended 31 July 2020:				
Profit and total comprehensive income for the year	-	-	442	442
Shares acquired into treasury	-	-	(300)	(300)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 July 2020	150	100	381	631
	<hr/>	<hr/>	<hr/>	<hr/>
Year ended 31 July 2021:				
Profit and total comprehensive income for the year	-	-	430	430
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 July 2021	150	100	811	1,061
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The capital redemption reserve represents the nominal value of shares repurchased by the company.

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

BISLEY OFFICE EQUIPMENT LIMITED**GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2021**

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Cash generated from operations	34		936		5,286
Interest paid			(29)		(2)
Income taxes refunded/(paid)			38		(15)
Net cash inflow from operating activities			<u>945</u>		<u>5,269</u>
Investing activities					
Purchase of intangible assets		-		(86)	
Purchase of tangible fixed assets		(1,055)		(793)	
Proceeds on disposal of tangible fixed assets		97		133	
Proceeds on disposal of fixed asset investments		-		(55)	
Interest received		59		21	
Net cash used in investing activities			<u>(899)</u>		<u>(780)</u>
Financing activities					
Purchase of treasury shares		-		(300)	
Repayment of borrowings		(611)		-	
New of bank loans		2,000		-	
Net cash generated from/(used in) financing activities			<u>1,389</u>		<u>(300)</u>
Net increase in cash and cash equivalents			<u>1,435</u>		<u>4,189</u>
Cash and cash equivalents at beginning of year			<u>9,394</u>		<u>5,205</u>
Cash and cash equivalents at end of year			<u><u>10,829</u></u>		<u><u>9,394</u></u>

BISLEY OFFICE EQUIPMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Company information

Bisley Office Equipment Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Bisley Factory, Caswell Way, Recvesland Industrial Estate, Newport, South Wales, United Kingdom, NP19 4PW.

The group consists of Bisley Office Equipment Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries and associates are accounted for at cost less impairment.

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

1 Accounting policies **(Continued)**

The consolidated financial statements incorporate those of Bisley Office Equipment Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 July 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

During the last 12 months, uncertainty due to the recent COVID-19 outbreak has been replaced by other challenges. These include unprecedentedly high steel costs, the impact of Brexit and inflation of material, freight, and labour costs. All of these have been considered as part of the group's adoption of the going concern basis. All appropriate measures have been put in place to reduce the impact on the group, and all the restructuring work carried out through the early months of the COVID 19 outbreak has put the business in a strong position to deal with these challenges.

The Board's latest forecasts are based on a scenario of a growth in revenue as the periods of lock-down imposed by the Government come to an end and the global economy begins to recover. The Board has factored in the restructuring work already done, a focus on rigorous cost control, the adoption of new purchasing strategies and the passing on of costs where possible. Under this scenario the group will have the resources to trade through this period.

The events arising as a result of high steel prices, Brexit and inflationary pressures has meant that there is a material uncertainty but based on the proactive measures taken against the downside indications, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

1 Accounting policies

(Continued)

The group took advantage of the transitional provisions in Section 35 of FRS 102 to use a previous GAAP revaluation of property as its deemed cost. The group had similarly used the transition provisions in FRS 15 Tangible Fixed Assets and retained the book amounts of freehold land and buildings where revalued prior to implementation of that standard. The properties in Newport, South Wales were last revalued at 31 July 1989 and the valuations have not subsequently been updated.

Subsequent additions are stated at cost. All repairs are written off as incurred. Where depreciation charges are increased following a revaluation, an amount equal to the increase is transferred annually from the revaluation reserve to the profit and loss account as a movement in reserves.

Tangible fixed assets other than freehold land and buildings are stated at cost less depreciation and provision for any impairment. Depreciation is not provided on freehold land or assets in the course of construction. On all other assets it is provided on cost or revalued sum less residual amount in equal instalments over the estimated useful lives of the assets. The estimated lives of the assets have been assessed as follows:

Freehold buildings	50 years
Leasehold improvements	Over life of lease
Plant, machinery and press tools	3 to 10 years
Fixtures, furniture & office equipment	3 to 10 years
Motor vehicles	4 years

Assets in the course of construction are not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.6 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries and associates are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

1 Accounting policies **(Continued)**

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.9 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

1 Accounting policies **(Continued)**

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Deferred tax asset

Details of the asset are provided in note 25 to the accounts. The carrying value of the deferred tax asset at the year end is £2,831,000 (2020: £2,985,000). The critical judgement relates to the group's ability to utilise the asset arising from tax losses against future taxable profits. The asset has decreased in the current year due utilisation of losses, following an increase in the prior year due to losses arising as a result of the Covid-19 pandemic; the board expects to be able to continue to utilise the asset as the group continues to improve its profitability after the pandemic, therefore the board is satisfied that its judgement to recognise the asset remains appropriate.

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

2 Judgements and key sources of estimation uncertainty (Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Stock valuation

At 31 July 2021 the group held stock of £6,836,000 (2020: £6,257,000). Stocks are valued at the lower cost and net realisable value. Cost includes the cost of materials, direct costs and production overheads using an appropriate absorption rate. This requires judgement. Net realisable value includes, where necessary, provisions for slow moving and obsolete stocks. Calculation of these provisions requires judgements to be made, which include forecast consumer demand, the promotional, competitive and economic environment trends. This also involves significant judgement.

Carrying value of fixed assets

The group's fixed assets cost £89,449,000 (2020: £89,271,000) and had a carrying value of £22,890,000 (2020: £24,713,000) at 31 July 2021. The depreciation policy is set out at 1.5 above; depreciation of £2,656,000 (2020: £2,695,000) was charged to the profit and loss account during the year. The estimation of useful economic life can have a significant impact on the depreciation charge and on the carrying value of assets; the board regularly reviews the asset lives based on past experience.

Impairment of intercompany balances in the company

The carrying value of amounts owed to the parent company from group undertakings at the balance sheet date was £1,118,000 (2020: £1,283,000). Balances are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit and loss account. The impairment loss is the difference between the asset's carrying amount and the best estimate of the recoverable amount at the reporting date. Impairment losses of £nil (2020: £3,385,000) were recognised in the parent company in the year, being £nil (2020: £3,375,000) provision against intercompany debts and £nil (2020: £10,000) of impairment of investments in subsidiaries.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2021	2020
	£'000	£'000
Turnover analysed by class of business		
Turnover from sale of goods	67,399	71,428
	<u>67,399</u>	<u>71,428</u>
	2021	2020
	£'000	£'000
Turnover analysed by geographical market		
United Kingdom	29,082	34,330
Other European countries	24,003	23,351
Rest of the world	14,314	13,747
	<u>67,399</u>	<u>71,428</u>

BISLEY OFFICE EQUIPMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

3 Turnover and other revenue	(Continued)	
	2021	2020
	£'000	£'000
Other significant revenue		
Interest income	59	21
Grants received	464	2,057
Amorisation of capital grants	31	31
Rental income	461	456
	<u> </u>	<u> </u>
<p>Government grants have been received in the year from Welsh Government as part of the Furlough scheme.</p>		
4 Operating profit/(loss)	2021	2020
	£'000	£'000
<p>Operating profit/(loss) for the year is stated after charging/(crediting):</p>		
Exchange losses	451	266
Government grants	(464)	(2,057)
Depreciation of owned tangible fixed assets	2,656	2,695
Profit on disposal of tangible fixed assets	(67)	(31)
Amorisation of intangible assets	-	97
(Profit)/loss on disposal of intangible assets	-	233
Cost of stocks recognised as an expense	33,920	36,155
Share-based payments	-	1
Operating lease charges	1,511	1,753
Capital based grants	(31)	(31)
Exceptional items (note 9)	217	2,486
	<u> </u>	<u> </u>
5 Auditor's remuneration	2021	2020
	£'000	£'000
<p>Fees payable to the company's auditor and associates:</p>		
For audit services		
Audit of the financial statements of the group and company	4	4
Audit of the financial statements of the company's subsidiaries	49	49
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

BISLEY OFFICE EQUIPMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021****6 Employees**

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group	2020	Company	2020
	2021	2020	2021	2020
	Number	Number	Number	Number
Production	380	501	2	2
Sales and distribution	119	156	1	1
Administration and management	50	58	6	7
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	549	715	9	10
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	Group	2020	Company	2020
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Wages and salaries	17,915	22,250	854	786
Social security costs	1,822	2,101	111	93
Pension costs	838	894	105	112
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	20,575	25,245	1,070	991
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Included within the above are exceptional redundancy costs of £217,000 (2020: £1,088,000), refer to note 9.

Also included within wages and salaries are subcontractors costs totalling £1,251,000 (2020: £1,068,000).

7 Directors' remuneration

	2021	2020
	£'000	£'000
Remuneration for qualifying services	637	538
Company pension contributions to defined contribution schemes	79	94
Compensation for loss of office	-	355
	<u> </u>	<u> </u>
	716	987
	<u> </u>	<u> </u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2020 - 2).

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

7 Directors' remuneration **(Continued)**

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2021	2020
	£'000	£'000
Remuneration for qualifying services	226	350
Company pension contributions to defined contribution schemes	21	31
	<u> </u>	<u> </u>

8 Interest receivable and similar income

	2021	2020
	£'000	£'000
Interest income		
Interest on bank deposits	58	16
Other interest income	1	5
	<u> </u>	<u> </u>
Total income	59	21
	<u> </u>	<u> </u>

9 Exceptional costs/(income)
Group

	2021	2020
	£'000	£'000
Redundancy costs	217	1,088
Impairment of loans to and investments in associates	-	1,398
	<u> </u>	<u> </u>
Total exceptional items within operating profit	217	2,486
	<u> </u>	<u> </u>

During the year the group incurred redundancy costs of £217,000 (2020: £1,088,000) as part of its restructuring of operations following the Covid-19 pandemic.

During the year the group made an impairment provision of £nil (2020: £1,398,000) against loans to and investments in associate undertakings.

Company	2021	2020
	£'000	£'000
Impairment of loans to and investments in associates of the group	-	693
Impairment of inter-company debts and investments in subsidiaries	-	3,385
	<u> </u>	<u> </u>
	-	4,078
	<u> </u>	<u> </u>

During the year the company made a provision of £nil (2020: £3,385,000) against intercompany debt and investments in subsidiaries.

During the year the company made an impairment provision of £nil (2020: £693,000) against loans to and investments in associates of the group.

BISLEY OFFICE EQUIPMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

10	Interest payable and similar expenses	2021	2020
		£'000	£'000
	Interest on bank overdrafts and loans	29	2
		<u> </u>	<u> </u>
11	Other gains and losses	2021	2020
		£'000	£'000
	Fair value gains/(losses) on financial instruments		
	Change in the value of financial liabilities held at fair value through profit or loss	334	(76)
		<u> </u>	<u> </u>
12	Taxation	2021	2020
		£'000	£'000
	Current tax		
	R&D tax credits	(40)	(135)
	Foreign current tax on profits for the current period	132	130
	Total current tax	<u> </u>	<u> </u>
		92	(5)
		<u> </u>	<u> </u>
	Deferred tax		
	Origination and reversal of timing differences	159	(883)
	Foreign exchange differences	-	16
	Total deferred tax	<u> </u>	<u> </u>
		159	(867)
		<u> </u>	<u> </u>
	Total tax charge/(credit)	<u> </u>	<u> </u>
		251	(872)
		<u> </u>	<u> </u>

BISLEY OFFICE EQUIPMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021****12 Taxation****(Continued)**

The actual charge/(credit) for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2021	2020
	£'000	£'000
Profit/(loss) before taxation	625	(7,772)
	<u> </u>	<u> </u>
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	119	(1,477)
Tax effect of expenses that are not deductible in determining taxable profit	74	706
Tax effect of utilisation of tax losses not previously recognised	(24)	-
Unutilised tax losses carried forward	4	104
Effect of change in corporation tax rate	-	(219)
Permanent capital allowances in excess of depreciation	(2)	-
Research and development tax credit	(40)	(43)
Other permanent differences	7	-
Effect of overseas tax rates	113	39
Deferred tax adjustments in respect of prior years	-	18
	<u> </u>	<u> </u>
Taxation charge/(credit)	251	(872)
	<u> </u>	<u> </u>

13 Intangible fixed assets

Group	Goodwill
	£'000
Cost	
At 1 August 2020	1,506
Exchange adjustments	(83)
	<u> </u>
At 31 July 2021	1,423
	<u> </u>
Amortisation and impairment	
At 1 August 2020	1,506
Exchange adjustments	(83)
	<u> </u>
At 31 July 2021	1,423
	<u> </u>
Carrying amount	
At 31 July 2021	-
	<u> </u>
At 31 July 2020	-
	<u> </u>

The company had no intangible fixed assets at 31 July 2021 or 31 July 2020.

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

14 Tangible fixed assets

Group	Land and buildings	Assets under construction	Plant, machinery, press tools & motor equipment	Fixtures, furniture & office equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 August 2020	24,287	100	53,889	10,995	89,271
Additions	35	725	67	228	1,055
Disposals	-	-	(418)	(188)	(606)
Transfers	-	(538)	538	-	-
Exchange adjustments	(155)	-	(10)	(106)	(271)
At 31 July 2021	24,167	287	54,066	10,929	89,449
Depreciation and impairment					
At 1 August 2020	8,226	-	47,971	8,361	64,558
Depreciation charged in the year	507	-	1,330	819	2,656
Eliminated in respect of disposals	-	-	(386)	(187)	(573)
Exchange adjustments	(9)	-	(7)	(66)	(82)
At 31 July 2021	8,724	-	48,908	8,927	66,559
Carrying amount					
At 31 July 2021	15,443	287	5,158	2,002	22,890
At 31 July 2020	16,061	100	5,918	2,634	24,713

The company had no tangible fixed assets at 31 July 2021 or 31 July 2020.

The carrying value of land and buildings comprises:

	Group	2020	Company	2020
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Freehold	12,711	13,080	-	-
Long leasehold	2,490	2,690	-	-
Short leasehold	242	291	-	-
	15,443	16,061	-	-

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

14 Tangible fixed assets **(Continued)**

Land and buildings includes £2,725,000 (2020: £2,725,000) in respect of land which is not depreciated.

The group took advantage of the transitional provisions in Section 35 of FRS 102 to use a previous GAAP revaluation of property as its deemed cost. The group had similarly used the transition provisions in FRS 15 Tangible Fixed Assets and retained the book amounts of freehold land and buildings where revalued prior to implementation of that standard. The properties in Newport, South Wales were last revalued at 31 July 1989 by Powell, Tuck & Partners, Chartered Surveyors and the valuations have not subsequently been updated. Subsequent additions are stated at cost.

Comparable amounts for land and buildings determined according to historical cost convention at 31 July are:

	2021	2020
	£'000	£'000
Group		
Cost	22,670	22,789
Accumulated depreciation	(8,724)	(8,226)
Carrying value	<u>13,946</u>	<u>14,563</u>

15 Fixed asset investments

		Group		Company	
	Notes	2021	2020	2021	2020
		£'000	£'000	£'000	£'000
Investments in subsidiaries	16	-	-	1,695	1,695

Movements in fixed asset investments

Company	Shares in subsidiaries
	£'000
Cost or valuation	
At 1 August 2020	3,203
Exchange adjustments	(48)
At 31 July 2021	<u>3,155</u>
Impairment	
At 1 August 2020	1,508
Exchange adjustments	(48)
At 31 July 2021	<u>1,460</u>
Carrying amount	
At 31 July 2021	<u>1,695</u>
At 31 July 2020	<u>1,695</u>

BISLEY OFFICE EQUIPMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021****16 Subsidiaries**

The company holds, except as noted below, 100% of the issued share capital (and 100% of the voting rights) of the following principal subsidiary companies, all of which are included in these consolidated financial statements.

Name of undertaking	Registered office
Bisley BV	Vollerstratt 2, 5051 JV Goirle, Holland, The Netherlands
Bisley Direct Limited*	Bisley Factory, Caswell Way, Reevesland Industrial Estate, Newport, NP19 4PW, United Kingdom
Bisley Espana SL	5 La calle Rodriguez Arias, 48008 Bilbao, Spain
Bisley GmbH	Wiesenstrass 70, 40549 Düsseldorf, Germany
Bisley Group Trustees Ltd	26 New Street, St Helier, JE3 3RA, Jersey
Bisley Inc	1140 Broadway Suite 902, New York 10001, USA
Bisley Industrial Storage Limited*	Bisley Factory, Caswell Way, Reevesland Industrial Estate, Newport, NP19 4PW, United Kingdom
Bisley Innovation Limited	Bisley Factory, Caswell Way, Reevesland Industrial Estate, Newport, NP19 4PW, United Kingdom
Bisley IP Limited***	Bisley Factory, Caswell Way, Reevesland Industrial Estate, Newport, NP19 4PW, United Kingdom
Bisley Office Equipment DMCC	Jumeriah Business Centre 1, Jumeirah Lake Towers, Sheikh Zayed Road, Dubai, UAF
Bisley Office Furniture Ireland Limited	Unit B, Bray Business Park, Southern Cross Road, Bray Co. Wicklow, Ireland
Bisley Office Furniture Limited	Bisley Factory, Caswell Way, Reevesland Industrial Estate, Newport, NP19 4PW, United Kingdom
Bisley SAS	Immeuble le Corosa, 1-3 rue Eugène et Armand Peugeot, 92500 Rueil-Malmaison, Paris, France
Bisley Two Limited***	Bisley Factory, Caswell Way, Reevesland Industrial Estate, Newport, NP19 4PW, United Kingdom
F.C. Brown (Steel Equipment) Limited	Bisley Factory, Caswell Way, Reevesland Industrial Estate, Newport, NP19 4PW, United Kingdom
GU249BJ Ltd	Bisley Factory, Caswell Way, Reevesland Industrial Estate, Newport, NP19 4PW, United Kingdom
Humanspace Office Furnishing LLC*	Level 31, Media One Hotel, PO Box 502131, Dubai Media City, Dubai, UAE
Humanspace Office Furnishing Ltd	Bisley Factory, Caswell Way, Reevesland Industrial Estate, Newport, NP19 4PW, United Kingdom
Network Commercial Systems Ltd*	Bisley Factory, Caswell Way, Reevesland Industrial Estate, Newport, NP19 4PW, United Kingdom
TFP General Trading Limited	Bisley Factory, Caswell Way, Reevesland Industrial Estate, Newport, NP19 4PW, United Kingdom
TFP General Trading LLC*	Level 31, Media One Hotel, PO Box 502131, Dubai Media City, Dubai, UAE
Workspace Office Furniture LLC**	Level 31, Media One Hotel, PO Box 502131, Dubai Media City, Dubai, UAE
Yelsib Investments Limited***	Bisley Factory, Caswell Way, Reevesland Industrial Estate, Newport, NP19 4PW, United Kingdom

BISLEY OFFICE EQUIPMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021****16 Subsidiaries****(Continued)**

* The company holds 100% indirectly.

** Workspace Office Furniture LLC is a Limited Liability Company based in the emirate of Dubai, UAE. As dictated by legislation Workspace Office Furniture LLC and its subsidiary companies have local sponsors who hold 51% of the shares. The companies have entered into agreements which give the group rights over 100% of the income and capital in exchange for an annual fee paid to the sponsors.

*** Yelsib Investments Limited, Bisley Two Limited and Bisley IP Limited are all indirect subsidiaries of Bisley Office Equipment Limited, being subsidiaries of Bisley Innovation Limited. The group has shareholdings of 95%, 60% and 78% respectively in these companies.

The subsidiaries are all engaged in the manufacture and sale of office furniture except; Network Commercial Systems Ltd which manufactures and installs fitted furniture; TFP General Trading Limited and Humanspace Office Furnishing Ltd whose principal activity is treasury management services; Bisley Group Trustees Ltd who act as a Trustee; Bisley Innovation Limited whose principal activity is that of a holding company for investments in technology companies; Yelsib Investments Limited whose principal activity is that of an investment company in workplace technologies, Bisley Two Limited whose principal activity is that of development of workplace technologies; and GU249BJ Ltd, Bisley Office Furniture Limited, Bisley Direct Limited and Bisley IP Limited who are dormant companies.

All shares in subsidiary companies are unlisted.

17 Associates

Details of associates at 31 July 2021 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
Evaelite Ltd	Quattro House Lyon Way, Frimley, Camberley, England, GU16 7ER	Ordinary	0	49

18 Financial instruments

	Group 2021 £'000	2020 £'000	Company 2021 £'000	2020 £'000
Carrying amount of financial liabilities				
Measured at fair value through profit or loss				
- Other financial liabilities	36	369	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

19 Stocks

	Group 2021 £'000	2020 £'000	Company 2021 £'000	2020 £'000
Raw materials and consumables	1,818	1,803	-	-
Work in progress	1,202	1,011	-	-
Finished goods and goods for resale	3,816	3,443	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	6,836	6,257	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

20 Debtors

	Group		Company	
	2021	2020	2021	2020
Amounts falling due within one year:	£'000	£'000	£'000	£'000
Trade debtors	10,975	9,202	(1)	-
Corporation tax recoverable	-	135	-	-
Amounts owed by group undertakings	-	-	1,118	1,283
Other debtors	1,396	1,809	193	199
Prepayments and accrued income	903	1,493	3	3
	<u>13,274</u>	<u>12,639</u>	<u>1,313</u>	<u>1,485</u>
Deferred tax asset (note 25)	2,831	2,985	-	-
	<u>16,105</u>	<u>15,624</u>	<u>1,313</u>	<u>1,485</u>

During the year the company made an impairment of £nil (2020: £3,385,000) against inter-company debts and investments in subsidiaries, refer to note 9. Of this total £nil (2020: £3,375,000)) was a provision against inter-company debts and £nil (2020: £10,000) was an impairment of investments in subsidiaries.

21 Creditors: amounts falling due within one year

		Group		Company	
	Notes	2021	2020	2021	2020
		£'000	£'000	£'000	£'000
Bank loans	23	667	-	-	-
Trade creditors		7,426	6,792	-	-
Amounts owed to group undertakings		-	-	1,906	2,253
Other taxation and social security		1,066	2,196	35	277
Derivative financial instruments		36	369	-	-
Other creditors		2,537	2,723	-	-
Accruals and deferred income		3,938	3,907	8	9
		<u>15,670</u>	<u>15,987</u>	<u>1,949</u>	<u>2,539</u>

22 Creditors: amounts falling due after more than one year

		Group		Company	
	Notes	2021	2020	2021	2020
		£'000	£'000	£'000	£'000
Bank loans and overdrafts	23	722	-	-	-

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

23 Loans and overdrafts

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Bank loans	1,389	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Payable within one year	667	-	-	-
Payable after one year	722	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

24 Provisions for liabilities

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Provisions for liabilities	31	51	31	51
Share of associate's losses	43	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	74	51	31	51
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Movements on provisions:

	Provisions for liabilities	Share of associate's losses	Total
Group	£'000	£'000	£'000
At 1 August 2020	51	-	51
Additional provisions in the year	4	43	47
Utilisation of provision	(24)	-	(24)
	<u> </u>	<u> </u>	<u> </u>
At 31 July 2021	31	43	74
	<u> </u>	<u> </u>	<u> </u>

	Provision for liabilities		Total
Company	£'000	£'000	£'000
At 1 August 2020	51	-	51
Additional provisions in the year	4	-	4
Utilisation of provision	(24)	-	(24)
	<u> </u>	<u> </u>	<u> </u>
At 31 July 2021	31	-	31
	<u> </u>	<u> </u>	<u> </u>

The provision for liabilities is for a liability to a finance company as a result of Bisley Office Equipment Limited underwriting a loan for TES Media Group Limited.

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

25 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Assets 2021 £'000	Assets 2020 £'000
Group		
Accelerated capital allowances	482	471
Tax losses	2,129	2,298
Retirement benefit obligations	136	132
Other short term timing differences	84	84
	<u>2,831</u>	<u>2,985</u>
	<u><u>2,831</u></u>	<u><u>2,985</u></u>

The company has no deferred tax assets or liabilities.

	Group 2021 £'000	Company 2021 £'000
Movements in the year:		
Asset at 1 August 2020	(2,985)	-
Charge to profit or loss	154	-
	<u>(2,831)</u>	<u>-</u>
Asset at 31 July 2021	<u><u>(2,831)</u></u>	<u><u>-</u></u>

Deferred tax assets and liabilities are offset only where the group has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same tax authority on the same taxable entity or another entity within the group.

There is no expiry date on timing differences, unused losses or tax credits.

The asset recognised is expected to reverse; it relates to the utilisation of tax losses against future expected profits and accelerated capital allowances that are expected to mature as well as other short term timing differences.

26 Retirement benefit schemes

	2021 £'000	2020 £'000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	838	894
	<u>838</u>	<u>894</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

At the year end there were outstanding contributions of £716,000 (2020: £695,000).

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

27 Government grants

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Deferred government grants	85	117	-	-
	<u>85</u>	<u>117</u>	<u>-</u>	<u>-</u>
	<u><u>85</u></u>	<u><u>117</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

Deferred income is included in the financial statements as follows:

Shown as deferred income on the face of the balance sheet

	85	117	-	-
	<u>85</u>	<u>117</u>	<u>-</u>	<u>-</u>
	<u><u>85</u></u>	<u><u>117</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

In accordance with the accounting policy disclosed in note 1, amounts received by way of capital-based government grants during the year and the deferred income balance carried forward at 31 July are as follows:

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
At 1 August	117	148	-	-
Amounts received in the year	-	-	-	-
Less amounts credited to profit and loss account	(32)	(31)	-	-
	<u>85</u>	<u>117</u>	<u>-</u>	<u>-</u>
At 31 July	<u><u>85</u></u>	<u><u>117</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

28 Share capital

Group and company	2021	2020	2021	2020
Ordinary share capital	Number	Number	£'000	£'000
Issued and fully paid				
ordinary A shares of 50p each	150,000	150,000	75	75
ordinary B shares of 50p each	150,000	150,000	75	75
	<u>300,000</u>	<u>300,000</u>	<u>150</u>	<u>150</u>
	<u><u>300,000</u></u>	<u><u>300,000</u></u>	<u><u>150</u></u>	<u><u>150</u></u>

The company has two classes of ordinary shares. Ordinary A shares do not hold any voting rights.

Of the above, 9,000 (2020: 9,000) ordinary A shares and 9,000 (2020: 9,000) ordinary B shares were held in treasury as at 31 July 2021.

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

29 Share-based payment transactions

In prior periods share options were granted to eligible employees of the group: options over 17,395 shares were initially granted and in total options over 23,345 shares have been granted. No options have been exercised. 9,870 options were outstanding as at 31 July 2021 (2020: 14,000). The options were exercisable based on certain performance criteria which have not been met hence the options have now lapsed.

The board is considering whether to issue new options or other arrangements to facilitate employee share participation.

The group's intention remains to transfer share ownership to eligible employees.

30 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Within one year	1,517	1,663	-	-
Between two and five years	3,107	3,628	-	-
In over five years	513	1,301	-	-
	<u>5,137</u>	<u>6,592</u>	<u>-</u>	<u>-</u>

31 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Acquisition of tangible fixed assets	229	428	-	-
	<u>229</u>	<u>428</u>	<u>-</u>	<u>-</u>

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

32 Related party transactions

The company has taken advantage of the exemption, under the terms of FRS 102, section 33.1A, from disclosing related party transactions with wholly owned subsidiaries within the group.

The key management personnel of the group are considered to be the directors whose remuneration is disclosed in note 7. During the year the group made purchases of £nil (2020: £3,000) from Bespoke Business Software Ltd, an associate of the group.

During the year the group paid management charges of £nil (2020: £31,000) to EvacLite Ltd, an associate of the group. At the year end the group owed £nil (2020: £31,000) to EvacLite Ltd, this amount being included within other creditors due within one year.

During the year the group paid management fees of £nil (2020: £200,000) to Exo Projects Limited, a shareholder of group companies Yelsib Investments Limited, Bisley Two Limited and Bisley IP Limited. These management fees are payable under the collaboration agreement entered into between Exo Projects Limited and group company Bisley Innovation Limited in respect of the management of these three companies. At the year end the group owed £nil (2020: £11,000) to Exo Projects Limited, this amount being included within trade creditors due within one year.

33 Controlling party

The ultimate controlling party is A C Brown.

BISLEY OFFICE EQUIPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

34 Cash generated from group operations

	2021	2020
	£'000	£'000
Profit/(loss) for the year after tax	374	(6,900)
Adjustments for:		
Share of results of associates and joint ventures	43	-
Taxation charged/(credited)	251	(872)
Finance costs	29	2
Investment income	(59)	(21)
Gain on disposal of tangible fixed assets	(67)	(31)
(Gain)/loss on disposal of intangible assets	-	233
Fair value (gain)/loss on foreign exchange contracts	-	76
Amorisation and impairment of intangible assets	-	97
Depreciation and impairment of tangible fixed assets	2,657	2,695
Impairment of investments	-	711
Amounts written off investments	(334)	-
Equity settled share based payment expense	-	1
(Decrease)/increase in provisions	(20)	51
Amorisation of grant	(32)	(31)
Foreign exchange movements	93	53
Movements in working capital:		
(Increase)/decrease in stocks	(579)	858
(Increase)/decrease in debtors	(770)	10,239
Decrease in creditors	(650)	(1,875)
Cash generated from operations	<u>936</u>	<u>5,286</u>

35 Analysis of changes in net funds - group

	1 August 2020	Cash flows	Market value	31 July 2021
	£'000	£'000	movements	£'000
			£'000	
Cash at bank and in hand	9,394	1,435	-	10,829
Borrowings excluding overdrafts	-	(1,723)	334	(1,389)
	<u>9,394</u>	<u>(288)</u>	<u>334</u>	<u>9,440</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.